

SAFETY, HEALTH AND ENVIRONMENTAL REQUIREMENTS

1 COMPLIANCE WITH SAFETY REGULATIONS AND STANDARDS

Contractor shall be responsible for complying with all relevant safety regulations and for taking all necessary safety precautions related to or arising out of the performance of the Contract in order to protect the Work, Contractor's personnel, the personnel of Company, the general public, all other persons, the property of Company and the property of third parties.

Without prejudice to Contractor's general and legal responsibility for the safety of its operations and of the personnel and property involved, where Company has notified Contractor of any specific safety requirements which are applicable to any part of the Work being performed, Contractor shall comply therewith.

2 SAFETY POLICY

Contractor shall have a formal system for management of health, safety and environment (HSE) which follows the principles of common international standards.

Contractor's HSE policy and/or system shall where relevant be compatible with Company's HSE management system applicable and Contractor shall ensure that all interfaces between Contractor's system and Company's system have been fully understood by the relevant personnel of Contractor.

3 SAFETY AWARENESS BY CONTRACTOR'S PERSONNEL

Contractor shall ensure that all its employees, officers, representatives and agents and its subcontractors, their employees, officers, representatives and agents are notified of and abide by the requirements set out in the Contract.

Contractor shall be responsible for maintaining and enhancing the safety awareness of all Contractor's personnel. Contractor shall participate in regular meetings with Contractor's personnel arranged by Contractor and with Company to review continually the safe implementation of the Contract.

4 TOOLS AND EQUIPMENT

Contractor shall comply with all statutory requirements and shall use its best endeavours to ensure that all tools, equipment, facilities and other items for use in the performance of the Work (whether purchased, rented or otherwise provided by Contractor or Company or others) are maintained in a safe, sound and proper condition and are capable of performing the function for which they are intended

5 PROTECTIVE PERSONAL CLOTHING AND EQUIPMENT

Contractor shall, at its own expense, and not at the cost of Contractor's personnel, supply and maintain Contractor's personnel with adequate protective clothing and equipment in accordance with current legislation and standards which shall be maintained in good

condition and shall be worn and used on all relevant occasions as indicated by notices, instructions, good practice, and as required by risk assessment.

6 REPORTING OF INCIDENTS/ACCIDENTS DURING THE PERFORMANCE OF THE WORK

While at work, every incident or accident shall be reported by Contractor or its personnel to Company immediately, if injury to personnel or damage to the installation, plant, materials or equipment resulted or could have resulted.

Contractor shall further submit on a monthly basis to Company a summary report of Contractor's safety performance and incident/accident statistics for Work on the System.

7 COMPANY'S REVIEW OF CONTRACTOR'S SAFETY POLICY

Without relieving Contractor of its responsibilities under this Contract, Contractor shall allow Company access to equipment, personnel and records, when requested, to enable Company:

- (i) to ensure that Contractor is carrying out its responsibilities under its safety policy; and
- (ii) to conduct, if required, independent investigation into any incident relating to this Contract.

8 RECTIFICATION OF UNSAFE WORKING CONDITIONS

If in the opinion of Company, any Work is being performed in an unsafe manner or Contractor's equipment requires modification to meet Company's safety standards, Company reserves the right to instruct Contractor to suspend the Work in part or as a whole:

- (i) immediately, should the unsafe nature of the Work or part of the Work offer immediate danger to personnel or property;
- (ii) at such later date specified, if Contractor has failed to remedy the unsafe nature of the Work or part thereof to the satisfaction of Company.

The notification of suspension shall include Company's reasons for issuing such notice and outline the steps required of Contractor to rectify such unsafe nature of the Work or part thereof and Contractor shall comply with such notice.

Company shall not accept liability for any costs arising directly or indirectly from the suspension if caused by the unsafe nature of the manner in which Contractor is performing Work or from modifications required to Contractor's equipment or Contractor's subcontractors' equipment in order to rectify the unsafe situation.

9 GOOD HOUSEKEEPING

Contractor shall ensure that good housekeeping is maintained continuously throughout the duration of the Work with due regard to tidiness and disposal of all materials and equipment and the keeping of access ways and emergency exits clear.

10 ENVIRONMENTAL CONSIDERATIONS

Contractor shall (i) ensure that due regard is paid to the environment by acting to preserve air, water, and any adverse effects of Contractor's activities in the performance of the Work (ii) minimise any nuisance which may arise from such operations, and (iii) comply with Environmental Management System requirements in place on or adjacent to the System.

11 QUALITY ASSURANCE

Contractor shall be able to demonstrate by objective evidence that an effective quality system is in operation and that this quality system is in compliance with ISO 9000 or equivalent standard and that third party certification has been obtained or that Contractor is actively operating in accordance with such a system.

12 MEDICAL FITNESS FOR WORK

Contractor shall use its best endeavours to ensure that all Contractors' personnel engaged on the Work are medically fit and healthy.

- (i) Contractor shall on request submit to Company, at least 7 days prior to mobilisation, a valid Medical Certificate for all Contractors' personnel nominated for the Work

If in the opinion of Company any of Contractor's personnel is not medically fit for the Work, Company reserves the right to refuse permission for such member or members of Contractor's personnel to perform any part of the Work. Company shall not accept liability for any costs arising directly or indirectly out of such circumstances.

13 ALCOHOL AND DRUGS

Company reserves the right to refuse access to or to remove from the worksite any of Contractor's personnel who in the opinion of Company's representative is or appears to be in possession of or under the influence of alcohol or drugs or other intoxicating substance. Company shall not accept liability for any costs arising directly or indirectly out of such circumstances.

14 TRAINING OF CONTRACTOR'S PERSONNEL

Contractor is responsible for ensuring that only Contractor's personnel who are adequately experienced trained and competent shall be provided for the performance of the Work. On request Contractor shall ensure that all its employees participate in Company's HSE training.

The training of Contractor's personnel shall take into account any requirements of Company as well as industry standards and statutory requirements. Contractor shall furnish records of competence for all

Contractors' personnel when requested so to do by Company. Unless specified otherwise herein all training of Contractor's personnel shall be at Contractor's cost. Contractor's personnel must on request participate in Company's provided safety training.

15 SECURITY

For any part of the Work being carried out in Company's premises location Company reserves the right to require all Contractor's personnel seeking to enter the premises to produce evidence of identification. Company requires Contractor and Contractor's personnel to consent to the searching at any time on the System or the relevant worksite by an authorised representative of Company of their person or any article or vehicle which is in the possession of or use of Contractor's personnel or being transported or retained by Company on behalf of Contractor or Contractor's personnel. Any personnel unwilling to comply with such requirements will not be permitted entry to the premises and Company shall not accept liability for any costs arising directly or indirectly out of such circumstances.